

VILLAGE OF GRAFTON

PUBLIC HEARING MINUTES

WEDNESDAY, NOVEMBER 7, 2012

Chair Jim Brunnquell called the Public Hearing to order at 6:00 p.m. The Pledge of Allegiance followed.

Members present: Village President Jim Brunnquell, Trustee Jim Grant, Trustee Lisa Uribe-Harbeck, Trustee David Liss, Trustee Susan Meinecke, Trustee Richard Rieck, and Trustee Dave Antoine

Staff present: Village Administrator Darrell Hofland, Police Chief Charles Wenten, Finance Director Paul Styduhar, Building Inspector Tom Johnson, Library Director John Hanson, Village Attorney Mike Herbrand, and Administrative Assistant Katie Salatto

HEAR ALL INTERESTED PERSONS OR THEIR AGENTS

Village President Jim Brunnquell welcomed everyone to the public hearing and stated that the Board attended the October 20 budget workshop. Mr. Brunnquell asked for any feedback from the public of which there was none.

STATEMENT OF PUBLIC NOTICE BY VILLAGE CLERK

Village President Jim Brunnquell made a recommendation that this item become actionable at the next Village Board meeting.

Administrative Assistant Katie Salatto read the statement of public notice:

The purpose of this hearing is for public review and comment regarding the proposed 2013 Village of Grafton Annual Program Budget.

PUBLIC HEARING

Village President Brunnquell requested Administrator Hofland give an abridged version of the budget. He also stated that the referendum passed by both the Village and Town by a wide margin.

Administrator Hofland identified that the Village has one Wisconsin-imposed financial restriction and four Village-imposed financial restrictions to consider in developing the 2013 budget. Mr. Hofland stated that with the approval of the Fire Department referendum, the Village's tax levy limit is 3.51 percent above last year and the Village's general fund is allowed to increase by 2.60 percent but is actually decreasing.

Mr. Hofland stated that over the past four years, the assessed tax rate has gone up an average of 1.5 percent per year. Administrator Hofland discussed the amount of General Fund's fund balance and 2013 use of applied fund balance. He stated that the key is to balance the applied fund balance with actual fund balance.

Administrator Hofland discussed the tax levy itself and how it compares to 2012. He stated that the major change is shifting of levy funds for purposes of funding the fire department as a Special Revenue Fund. Mr. Hofland went on to discuss the 2013 personnel changes. He stated that the Village will be adding a full-time fire chief, a part-time office assistant, and a part-time (0.25FTE) electrical inspector.

Mr. Hofland pointed out that Fire Protection and Rescue program budget in the Special Revenue Fund will be new for 2013. He discussed the Town contribution, the Village's tax levy - almost a half million dollars, fire insurance tax rebate, and the rescue squad revenue.

Administrator Hofland stated that the Debt Service Fund's equalized tax rate continues to drop. He stated that the tax rate needed to support the Village's debt service has dropped almost half from 2005 to 2013.

Mr. Hofland stated that the capital project fund's major project is the urbanization and widening of Port Washington Road in addition to two other projects including Maple Street and Highland Drive.

Village President Brunnuell asked for clarification from Village Attorney Mike Herbrand about the Fire Department referendum and tax levy.

Village Attorney Mike Herbrand stated that the Village Clerk must notify the Department of Revenue of the new, increased levy amount. He also stated the referendum creates a ceiling. Mr. Herbrand stated that while perhaps the Village would not have to spend the entire amount; however, he cautioned the Board because they passed a resolution and took a referendum to ask for extra money to fund the fire department. If the Village developed a way to not spend the limit, Mr. Herbrand stated that his future concern is that an argument can be made that the Village is not using levy revenue for the purpose of the referendum.

Trustee Grant questioned whether or not the Village could take \$246,000 off of the rest of the entire budget, resulting in a flat levy budget. He asked if the Village could evenly cut expenditures across the entire budget and give additional funds to the fire department.

Village Attorney Mike Herbrand stated that the Village Board via the referendum increased the revenue ceiling for purposes of funding the fire department. He stated that if the Village has to spend additional levy amount, then there may be an argument that the Village did not spend it properly.

Trustee Meinecke questioned where the Village would take money from if they were to reduce the budget by \$240,000.

Trustee Antoine stated that the 2013 budgets are thin already.

Administrator Hofland stated that the Village staff and Village Board, in developing budgets, often forecast future budgeting costs and considerations. Mr. Hofland stated that as an example - TIF No. 3 is not financially healthy and that additional funds may be needed to be loaned to TID No. 3 on a temporary basis.

Village President Brunnuquell stated that Mr. Hofland was correct. He stated that the Environmental Fund will soon use up its fund balance and there will be an eventual need to fund it. Mr. Brunnuquell also stated that the Village will need to fund upcoming personnel changes.

He opened the floor to any questions from the public.

Bill Hass (1226 Water Terrace) asked why the Village needs to spend such a large amount of tax money on capital projects.

Administrator Hofland stated that the two projects Mr. Hass mentioned are non-property-tax-levy projects and that no portion of the general property tax money goes toward these projects.

Trustee Grant asked for suggestions as to what could be cut from the overall budget.

Trustee Meinecke stated that if the Village were to cut 5 percent from Parks and Recreation, for example that would be a lot less than cutting 5 percent from Public Safety.

Administrator Hofland stated that the message that the cuts would send to the existing departments is that their missions are less important than the Fire Department.

Village President Brunnuquell stated that the Village will have obligations in coming years and that those obligations will need to be funded somehow. He stated that the Village has minimized tax increases as much as possible over the year and that the referendum passed by a wide majority. He also stated that the residents understand the impact and that, based on the vote, they are willing to pay for it. He indicated that the Fire Department's funding needs are phase one and that the Village may need to look at the higher level of funding in the future. Mr. Brunnuquell pointed out that in the future the Village operations will require more funding and that the Village Board would be doing a disservice by cutting themselves short this time, especially since the public agreed with the referendum.

Trustee Grant stated that he still wants to see what the Village could do to identify offsetting cuts.

Trustee Meinecke stated that the year-to-date summary for all departments looks great and that all departments are doing well on keeping spending down.

Village President Brunnuquell agreed and stated that the Village staff does an excellent job at managing the budget.

Administrator Hofland pointed out that the areas of emphasis have not changed from one year to another. He stated that if the Board were to ask Village staff to come up with \$250,000, it will negatively impact all other Village departments.

Trustee Meinecke asked if any of the Port Washington Road cost of \$1.5 million will be reimbursed by Meijer. Administrator Hofland stated that Meijer would reimburse over half of the cost.

Village President Jim Brunnuquell opened the floor to any last questions.

Administrator Hofland asked what the Village Board's direction to staff between now and November 19 was.

By consensus, the Village Board indicated there is no change requested to the proposed 2013 budget.

Village President Brunnuquell reminded the Village Board that voters indicated they are willing to accept the tax bill increase.

ADJOURN

Motion by Trustee Grant seconded by Trustee Harbeck, to adjourn at 6:38 p.m. Approved unanimously.